

SENATE BILL 561

By Ketron

AN ACT to amend Tennessee Code Annotated, Title 56,
Chapter 6, relative to unfair trade practices.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-6-125(b), is amended by deleting the subsection and substituting instead the following:

(b) Notwithstanding subsection (a) or this title, an insurance producer may charge fees for services relating to an individual's purchase of an individual major medical policy as defined in § 56-12-204(c)(3)(C), where the insurer is not paying commission to the insurance producer, if the fees are based upon a qualified written agreement signed by the party to be charged in advance of the performance of the services under the agreement. An agreement under this subsection (b) is qualified if it meets the requirements contained in subdivisions (a)(3)(A)-(C).

SECTION 2. Tennessee Code Annotated, Section 56-6-125, is amended by adding the following language as a new subsection (c):

(c) Except as otherwise provided in subsections (a) and (b), this section does not permit persons to charge an additional fee for services that are associated with the sale, solicitation, negotiation, or servicing of insurance policies.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.